

SENATE BILL No. 466

DIGEST OF INTRODUCED BILL

Citations Affected: IC 36-8.

Synopsis: Police and fire surviving spouse benefits. Increases the surviving spouse's benefit for members of the 1925 police pension fund, the 1937 firefighters' pension fund, and the 1953 police pension fund by 10%, and phases in the increase in five equal installments over five years starting July 1, 2005.

Effective: July 1, 2005.

Server

January 18, 2005, read first time and referred to Committee on Pensions and Labor.

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First Regular Session 114th General Assembly (2005)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2004 Regular Session of the General Assembly.

SENATE BILL No. 466

A BILL FOR AN ACT to amend the Indiana Code concerning pensions.

Be it enacted by the General Assembly of the State of Indiana:

1 SECTION 1. IC 36-8-6-9.6 IS AMENDED TO READ AS
2 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 9.6. (a) This section
3 applies to an active or retired member who dies other than in the line
4 of duty (as defined in section 10.1 of this chapter).

5 (b) A payment shall be made to the surviving spouse of a deceased
6 member in an amount fixed by ordinance, but at least an amount equal
7 to the following:

8 (1) To the surviving spouse of a member who died before January
9 1, 1989, an amount equal to thirty percent (30%) of the monthly
10 pay of a first class patrolman per month during the surviving
11 spouse's life. ~~if the spouse did not remarry before September 1,~~
12 ~~1983; if the spouse remarried before September 1, 1983, and~~
13 ~~benefits ceased on the date of remarriage; the benefits for the~~
14 ~~surviving spouse shall be reinstated on July 1, 1997, and continue~~
15 ~~during the life of the surviving spouse.~~

16 (2) Except as otherwise provided in this subdivision, to the
17 surviving spouse of a member who dies after December 31, 1988,



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an amount per month, during the spouse's life, equal to the greater of:

- (A) thirty percent (30%) of the monthly pay of a first class patrolman; or
- (B) fifty-five percent (55%) of the monthly benefit the deceased member was receiving or was entitled to receive on the date of the member's death.

However, if the deceased member was not entitled to a benefit because the member had not completed twenty (20) years of service, for purposes of computing the amount under clause (B), the member's benefit shall be considered to be fifty percent (50%) of the monthly salary of a first class patrolman. The amount provided in this subdivision is subject to adjustment as provided in subsection (e) **and subdivision (3).**

(3) After June 30, 2005, the amount computed under subdivision (1) or (2) increased by ten percent (10%) over a five (5) year period, with the increase being implemented in five (5) equal installments on July 1 each year, beginning with amounts first payable after June 30, 2005.

(c) Except as otherwise provided in this subsection, a payment shall also be made to each child of a deceased member less than eighteen (18) years of age, in an amount fixed by ordinance, but at least an amount equal to twenty percent (20%) of the monthly pay of a first class patrolman per month:

- (1) until the child becomes eighteen (18) years of age;
- (2) until the child becomes twenty-three (23) years of age if the child is enrolled in and regularly attending a secondary school or is a full-time student at an accredited college or university; or
- (3) during the entire period of the child's physical or mental disability;

whichever period is longer. However, the total of benefits under this subsection added to the benefits under subsection (b) may not exceed the maximum benefits computed under section 9 of this chapter for pension payments to a member who retires from active service after twenty (20) years or more of active service. This maximum benefit is equal to fifty percent (50%) of the salary of a first class patrolman in the police department plus, for a member who retired before January 1, 1986, two percent (2%) of the first class patrolman's salary for each year of service of the retired member over twenty (20) years or, for a member who retires after December 31, 1985, plus one percent (1%) of the first class patrolman's salary for each six (6) months of service of the retired member over twenty (20) years. However, the maximum

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benefit may not exceed in any year an amount greater than seventy-four percent (74%) of the salary of a first class patrolman.

(d) Except as otherwise provided in this subsection, if a deceased member leaves no surviving spouse and no child who qualifies for benefits under subsection (c) but does leave a dependent parent or parents, an amount equal to twenty percent (20%) of the monthly pay of a first class patrolman per month from the time of the member's death shall be paid to the dependent parent or parents during their dependency. When both parents survive, the total amount is still twenty percent (20%), to be paid to them jointly. In all cases of payment to a dependent relative of a deceased member, the board is the final judge of the question of necessity and dependency and of the amount to be paid. The board may also reduce or terminate temporarily or permanently a payment to a dependent relative of a deceased member when it determines that the condition of the fund or other circumstances make this action necessary.

(e) If the salary of a first class patrolman is increased or decreased, the pension payable under this section shall be proportionately increased or decreased. However, the monthly pension payable to a member or survivor may not be reduced below the amount of the first full monthly pension received by that person.

SECTION 2. IC 36-8-6-9.7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 9.7. (a) This section applies to a member who died in the line of duty (as defined in section 10.1 of this chapter) before September 1, 1982.

(b) A payment shall be made to the surviving spouse of a deceased member in an amount fixed by ordinance, but at least an amount equal to the following:

(1) Thirty percent (30%) of the monthly pay of a first class patrolman per month during the surviving spouse's life. ~~if the spouse did not remarry before September 1, 1983; if the spouse remarried before September 1, 1983, and benefits ceased on the date of remarriage, the benefits for the surviving spouse shall be reinstated on July 1, 1997, and continue during the life of the surviving spouse.~~

(2) After June 30, 2005, the amount computed under subdivision (1) increased by ten percent (10%) over a five (5) year period, with the increase being implemented in five (5) equal installments on July 1 each year, beginning with amounts first payable after June 30, 2005.

(c) Except as otherwise provided in this subsection, a payment shall also be made to each child of a deceased member less than eighteen

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(18) years of age, in an amount fixed by ordinance, but at least an amount equal to twenty percent (20%) of the monthly pay of a first class patrolman per month to each child:

- (1) until the child becomes eighteen (18) years of age;
- (2) until the child becomes twenty-three (23) years of age if the child is enrolled in and regularly attending a secondary school or is a full-time student at an accredited college or university; or
- (3) during the entire period of the child's physical or mental disability;

whichever period is longer. However, the total of benefits under this subsection added to the benefits under subsection (b) may not exceed the maximum benefits computed under section 9 of this chapter for pension payments to a member who retires from active service after twenty (20) years or more of active service. This maximum benefit is equal to fifty percent (50%) of the salary of a first class patrolman in the police department plus, for a member who retired before January 1, 1986, two percent (2%) of the first class patrolman's salary for each year of service of the retired member over twenty (20) years or, for a member who retires after December 31, 1985, plus one percent (1%) of the first class patrolman's salary for each six (6) months of service of the retired member over twenty (20) years. However, the maximum benefit may not exceed in any year an amount greater than seventy-four percent (74%) of the salary of a first class patrolman.

(d) If a deceased member leaves no surviving spouse and no child who qualifies for benefits under subsection (c) but does leave a dependent parent or parents, an amount equal to twenty percent (20%) of the monthly pay of a first class patrolman per month from the time of the member's death shall be paid to the dependent parent or parents during their dependency. When both parents survive, the total amount is still twenty percent (20%), to be paid to them jointly. In all cases of payment to a dependent relative of a deceased member, the board is the final judge of the question of necessity and dependency and of the amount to be paid. The board may also reduce or terminate temporarily or permanently a payment to a dependent relative of a deceased member when it determines that the condition of the fund or other circumstances make this action necessary.

(e) If the salary of a first class patrolman is increased or decreased, the pension payable under this section shall be proportionately increased or decreased. However, the monthly pension payable to a member or survivor may not be reduced below the amount of the first full monthly pension received by that person.

(f) The unit of local government that employed the deceased

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member shall ~~after December 31, 2003,~~ offer to provide and pay for health insurance coverage for the member's surviving spouse and for each natural child, stepchild, or adopted child of the member:

- (1) until the child becomes eighteen (18) years of age;
- (2) until the child becomes twenty-three (23) years of age if the child is enrolled in and regularly attending a secondary school or is a full-time student at an accredited college or university; or
- (3) during the entire period of the child's physical or mental disability;

whichever period is longest. If health insurance coverage is offered by the unit to active members, the health insurance provided to a surviving spouse and child under this subsection must be equal in coverage to that offered to active members. The offer to provide and pay for health insurance coverage shall remain open for as long as there is a surviving spouse or as long as a natural child, stepchild, or adopted child of the member is eligible for the coverage under subdivision (1), (2), or (3).

SECTION 3. IC 36-8-6-10.1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 10.1. (a) This section applies to a member who dies in the line of duty after August 31, 1982.

(b) The surviving spouse is entitled to a monthly benefit, during the spouse's lifetime, equal to **the following:**

- (1) The benefit to which the member would have been entitled on the date of the member's death, but no less than fifty percent (50%) of the monthly wage received by a first class patrolman. ~~If the surviving spouse remarried before September 1, 1983, and benefits ceased on the date of remarriage, the benefits for the surviving spouse shall be reinstated on July 1, 1997, and continue during the life of the surviving spouse.~~

- (2) **After June 30, 2005, the amount computed under subdivision (1) increased by ten percent (10%) over a five (5) year period, with the increase being implemented in five (5) equal installments on July 1 each year, beginning with amounts first payable after June 30, 2005.**

(c) A payment shall also be made to each child of a deceased member less than eighteen (18) years of age, in an amount fixed by ordinance, but at least an amount equal to twenty percent (20%) of the monthly pay of a first class patrolman per month to each child:

- (1) until the child becomes eighteen (18) years of age;
- (2) until the child becomes twenty-three (23) years of age if the child is enrolled in and regularly attending a secondary school or is a full-time student at an accredited college or university; or
- (3) during the entire period of the child's physical or mental

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1 disability;
2 whichever period is longer.

3 (d) The surviving children of the deceased member who are eligible
4 to receive a benefit under subsection (c) may receive an additional
5 benefit in an amount fixed by ordinance, but the total additional benefit
6 under this subsection to all the member's children may not exceed a
7 total of thirty percent (30%) of the monthly wage received by a first
8 class patrolman. However, this limitation does not apply to the children
9 of a member who are physically or mentally disabled.

10 (e) If a deceased member leaves no surviving spouse and no child
11 who qualifies for benefits under subsection (c) but does leave a
12 dependent parent or parents, an amount equal to twenty percent (20%)
13 of the monthly pay of a first class patrolman per month from the time
14 of the member's death shall be paid to the dependent parent or parents
15 during their dependency. When both parents survive, the total amount
16 is still twenty percent (20%), to be paid to them jointly. In all cases of
17 payment to a dependent relative of a deceased member, the board is the
18 final judge of the question of necessity and dependency and of the
19 amount to be paid. The board may also reduce or terminate temporarily
20 or permanently a payment to a dependent relative of a deceased
21 member when it determines that the condition of the fund or other
22 circumstances make this action necessary.

23 (f) If the salary of a first class patrolman is increased or decreased,
24 the pension payable under this section shall be proportionately
25 increased or decreased. However, the monthly pension payable to a
26 member or survivor may not be reduced below the amount of the first
27 full monthly pension received by that person.

28 (g) For purposes of this section, "dies in the line of duty" means
29 death that occurs as a direct result of personal injury or illness caused
30 by incident, accident, or violence that results from any action that the
31 member in the member's capacity as a police officer:

- 32 (1) is obligated or authorized by rule, regulation, condition of
- 33 employment or service, or law to perform; or
- 34 (2) performs in the course of controlling or reducing crime or
- 35 enforcing the criminal law.

36 The term includes a death presumed incurred in the line of duty under
37 IC 5-10-13.

38 (h) The unit of local government that employed the deceased
39 member shall ~~after December 31, 2003,~~ offer to provide and pay for
40 health insurance coverage for the member's surviving spouse and for
41 each natural child, stepchild, or adopted child of the member:

- 42 (1) until the child becomes eighteen (18) years of age;

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- (2) until the child becomes twenty-three (23) years of age if the child is enrolled in and regularly attending a secondary school or is a full-time student at an accredited college or university; or
 (3) during the entire period of the child's physical or mental disability;

whichever period is longest. If health insurance coverage is offered by the unit to active members, the health insurance provided to a surviving spouse and child under this subsection must be equal in coverage to that offered to active members. The offer to provide and pay for health insurance coverage shall remain open for as long as there is a surviving spouse or as long as a natural child, stepchild, or adopted child of the member is eligible for the coverage under subdivision (1), (2), or (3).

SECTION 4. IC 36-8-7-12.2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 12.2. (a) This section applies to an active or retired member who dies other than in the line of duty (as defined in section 12.4 of this chapter).

(b) If a member of the fire department or a retired member of the 1937 fund dies and leaves:

- (1) a surviving spouse;
 (2) a child or children less than eighteen (18) years of age;
 (3) a child or children at least eighteen (18) years of age who are mentally or physically incapacitated; or
 (4) a child or children less than twenty-three (23) years of age who are:

(A) enrolled in and regularly attending a secondary school; or
 (B) full-time students at an accredited college or university;
 the local board shall authorize the payment to the surviving spouse and to the child or children the amount from the fund as prescribed by this section. ~~If the surviving spouse of a deceased member remarried before September 1, 1983, and pension benefits ceased on the date of remarriage, the benefits for the surviving spouse shall be reinstated on July 1, 1997, and continue during the life of the surviving spouse. If the pension of the surviving spouse of a deceased member has ceased by virtue of the spouse's remarriage, and if the person to whom the spouse has remarried was a retired member of the fire department who was also entitled to a pension, then upon the death of the member to whom the spouse had remarried, the spouse is entitled to receive a pension as the surviving spouse of a deceased member as though the spouse had not been remarried.~~

(c) If a deceased member of the fire department leaves no surviving spouse or children but leaves a dependent parent, and upon satisfactory proof that the parent was wholly dependent upon the deceased member,

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the local board shall authorize the monthly payment to the parent from the 1937 fund that is prescribed by this section.

(d) If a member dies while in active service or after retirement:

(1) the surviving spouse is entitled to receive an amount fixed by ordinance but not less than:

(A) for the surviving spouse of a member who dies before January 1, 1989, thirty percent (30%) of the salary of a fully paid first class firefighter in the unit at the time of the payment of the pension; ~~and~~

(B) for the surviving spouse of a member who dies after December 31, 1988, except as otherwise provided in this clause, an amount per month, during the spouse's life, equal to the greater of:

(i) thirty percent (30%) of the monthly pay of a first class firefighter; or

(ii) fifty-five percent (55%) of the monthly benefit the deceased member was receiving or was entitled to receive on the date of the member's death;

(these amounts shall be proportionately increased or decreased if the salary of a first class firefighter is increased or decreased); however, if the deceased member was not entitled to a benefit because the member had not completed twenty (20) years of service, for purposes of computing the second amount under ~~this~~ item (ii), the member's benefit is considered to be fifty percent (50%) of the monthly salary of a first class firefighter in the unit at the time of payment of the pension; **or (C) after June 30, 2005, the amount computed under clause (A) or (B) increased by ten percent (10%) over a five (5) year period, with the increase being implemented in five (5) equal installments on July 1 each year, beginning with amounts first payable after June 30, 2005;**

(2) the member's children who are:

(A) less than eighteen (18) years of age; or

(B) less than twenty-three (23) years of age if the children are enrolled in and regularly attending a secondary school or are full-time students at an accredited college or university;

are each entitled to receive an amount fixed by ordinance but not less than twenty percent (20%) of the salary of a fully paid first class firefighter in the unit at the time of the payment of the pension; and

(3) each parent of a deceased member who was eligible for a pension is entitled to receive jointly an amount equal to thirty

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percent (30%) of the salary of a fully paid first class firefighter in the unit at the time of the payment of the pension.

If the local board finds upon the submission of satisfactory proof that a child eighteen (18) years of age or older is mentally or physically incapacitated, is not a ward of the state, and is not receiving a benefit under subdivision (2)(B), the child is entitled to receive the same amount as is paid to the surviving spouse of a deceased firefighter, as long as the mental or physical incapacity continues. A sum paid for the benefit of a child or children shall be paid to the remaining parent, if alive, as long as the child or children reside with and are supported by the parent. If the parent dies, the sum shall be paid to the lawful guardian of the child or children.

(e) The monthly pension payable to a survivor may not be reduced below the amount of the first full monthly pension received by that person.

(f) A benefit payable under this section shall be paid in not less than twelve (12) monthly installments.

SECTION 5. IC 36-8-7-12.3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 12.3. (a) This section applies to a member who died in the line of duty (as defined in section 12.4 of this chapter) before September 1, 1982.

(b) If a member of the fire department or a retired member of the 1937 fund dies and leaves:

- (1) a surviving spouse;
- (2) a child or children less than eighteen (18) years of age;
- (3) a child or children at least eighteen (18) years of age who are mentally or physically incapacitated; or
- (4) a child or children less than twenty-three (23) years of age who are:

(A) enrolled in and regularly attending a secondary school; or

(B) full-time students at an accredited college or university;

the local board shall authorize the payment to the surviving spouse and to the child or children of the amount from the fund as prescribed by this section. ~~If the surviving spouse of a deceased member remarried before September 1, 1983, and pension benefits ceased on the date of remarriage, the benefits for the surviving spouse shall be reinstated on July 1, 1997, and continue during the life of the surviving spouse. If the pension of the surviving spouse of a deceased member has ceased by virtue of the spouse's remarriage, and if the person to whom the spouse has remarried was a retired member of the fire department who was also entitled to a pension, then upon the death of the member to whom the spouse had remarried, the spouse is entitled to receive a pension as~~

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1 the surviving spouse of a deceased member as though the spouse had
2 not been remarried:

3 (c) If a deceased member of the fire department leaves no surviving
4 spouse or children but leaves a dependent parent, and upon satisfactory
5 proof that the parent was wholly dependent upon the deceased member,
6 the local board shall authorize the monthly payment to the parent from
7 the 1937 fund that is prescribed by this section.

8 (d) If a member dies while in active service:

9 (1) the surviving spouse is entitled to receive an amount fixed by
10 ordinance but not less than:

11 (A) thirty percent (30%) of the salary of a fully paid first class
12 firefighter in the unit at the time of the payment of the pension;

13 or

14 (B) after June 30, 2005, the amount computed under clause
15 (A) increased by ten percent (10%) over a five (5) year
16 period, with the increase being implemented in five (5)
17 equal installments on July 1 each year, beginning with
18 amounts first payable after June 30, 2005;

19 (2) the member's children who are:

20 (A) less than eighteen (18) years of age; or

21 (B) less than twenty-three (23) years of age if the children are
22 enrolled in and regularly attending a secondary school or are
23 full-time students at an accredited college or university;

24 are each entitled to receive an amount fixed by ordinance but not
25 less than twenty percent (20%) of the salary of a fully paid first
26 class firefighter in the unit at the time of the payment of the
27 pension; and

28 (3) each parent of a deceased member who was eligible for a
29 pension is entitled to receive jointly an amount equal to thirty
30 percent (30%) of the salary of a fully paid first class firefighter in
31 the unit at the time of the payment of the pension.

32 If the local board finds upon the submission of satisfactory proof that
33 a child eighteen (18) years of age or older is mentally or physically
34 incapacitated, is not a ward of the state, and is not receiving a benefit
35 under subdivision (2)(B), the child is entitled to receive the same
36 amount as is paid to the surviving spouse of a deceased firefighter as
37 long as the mental or physical incapacity continues. A sum paid for the
38 benefit of a child or children shall be paid to the remaining parent, if
39 alive, as long as the child or children reside with and are supported by
40 the parent. If the parent dies, the sum shall be paid to the lawful
41 guardian of the child or children.

42 (e) The monthly pension payable to a survivor may not be reduced

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below the amount of the first full monthly pension received by that person.

(f) A benefit payable under this section shall be paid in not less than twelve (12) monthly installments.

(g) The unit of local government that employed the deceased member shall ~~after December 31, 2003~~, offer to provide and pay for health insurance coverage for the member's surviving spouse and for each natural child, stepchild, or adopted child of the member:

(1) until the child becomes eighteen (18) years of age;

(2) until the child becomes twenty-three (23) years of age if the child is enrolled in and regularly attending a secondary school or is a full-time student at an accredited college or university; or

(3) during the entire period of the child's physical or mental disability;

whichever period is longest. If health insurance coverage is offered by the unit to active members, the health insurance provided to a surviving spouse and child under this subsection must be equal in coverage to that offered to active members. The offer to provide and pay for health insurance coverage shall remain open for as long as there is a surviving spouse or as long as a natural child, stepchild, or adopted child of the member is eligible for the coverage under subdivision (1), (2), or (3).

SECTION 6. IC 36-8-7-12.4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 12.4. (a) This section applies to an active member who dies in the line of duty after August 31, 1982.

(b) If a member dies in the line of duty after August 31, 1982, the surviving spouse is entitled to a monthly benefit, during the spouse's lifetime, equal to **the following**:

(1) The benefit to which the member would have been entitled on the date of the member's death, but not less than fifty percent (50%) of the monthly wage received by a fully paid first class firefighter. ~~If the spouse remarried before September 1, 1983, and benefits ceased on the date of remarriage, the benefits for the surviving spouse shall be reinstated on July 1, 1997, and continue during the life of the surviving spouse. If the pension of the surviving spouse of a deceased member has ceased by virtue of the spouse's remarriage, and if the person to whom the spouse has remarried was a retired member of the fire department who was also entitled to a pension, then upon the death of the member to whom the spouse had remarried, the spouse is entitled to receive a pension as the surviving spouse of a deceased member as though the spouse had not been remarried.~~

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(2) After June 30, 2005, the amount computed under subdivision (1) increased by ten percent (10%) over a five (5) year period, with the increase being implemented in five (5) equal installments on July 1 each year, beginning with amounts first payable after June 30, 2005.

(c) If a member dies while in active service, the member's children who are:

(1) less than eighteen (18) years of age; or

(2) less than twenty-three (23) years of age if the children are enrolled in and regularly attending a secondary school or are full-time students at an accredited college or university; are each entitled to receive an amount fixed by ordinance but not less than twenty percent (20%) of the salary of a fully paid first class firefighter in the unit at the time of the payment of the pension.

(d) The surviving children of the deceased member who are eligible to receive a benefit under subsection (c) may receive an additional benefit in an amount fixed by ordinance, but the total additional benefit under this subsection to all the member's children may not exceed a total of thirty percent (30%) of the monthly wage received by a first class firefighter. However, this limitation does not apply to the children of a member who are physically or mentally disabled.

(e) If a deceased member of the fire department leaves no surviving spouse or children but leaves a dependent parent, and upon satisfactory proof that the parent was wholly dependent upon the deceased member, the local board shall authorize the monthly payment to the parent from the 1937 fund. Each parent of a deceased member who was eligible for a pension under this subsection is entitled to receive jointly an amount equal to thirty percent (30%) of the salary of a fully paid first class firefighter in the unit at the time of the payment of the pension.

(f) For purposes of this section, "dies in the line of duty" means death that occurs as a direct result of personal injury or illness caused by incident, accident, or violence that results from any action that the member, in the member's capacity as a firefighter:

(1) is obligated or authorized by rule, regulation, condition of employment or service, or law to perform; or

(2) performs while on the scene of an emergency run (including false alarms) or on the way to or from the scene.

The term includes a death presumed incurred in the line of duty under IC 5-10-13.

(g) If the local board finds upon the submission of satisfactory proof that a child eighteen (18) years of age or older is mentally or physically incapacitated, is not a ward of the state, and is not receiving a benefit

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under subsection (c)(2), the child is entitled to receive the same amount as is paid to the surviving spouse of a deceased firefighter, as long as the mental or physical incapacity continues. A sum paid for the benefit of a child or children shall be paid to the remaining parent, if alive, as long as the child or children reside with and are supported by the parent. If the parent dies, the sum shall be paid to the lawful guardian of the child or children.

(h) The monthly pension payable to a survivor may not be reduced below the amount of the first full monthly pension received by that person.

(i) A benefit payable under this section shall be paid in not less than twelve (12) monthly installments.

(j) The unit of local government that employed the deceased member shall ~~after December 31, 2003,~~ offer to provide and pay for health insurance coverage for the member's surviving spouse and for each natural child, stepchild, or adopted child of the member:

- (1) until the child becomes eighteen (18) years of age;
- (2) until the child becomes twenty-three (23) years of age if the child is enrolled in and regularly attending a secondary school or is a full-time student at an accredited college or university; or
- (3) during the entire period of the child's physical or mental disability;

whichever period is longest. If health insurance coverage is offered by the unit to active members, the health insurance provided to a surviving spouse and child under this subsection must be equal in coverage to that offered to active members. The offer to provide and pay for health insurance coverage shall remain open for as long as there is a surviving spouse or as long as a natural child, stepchild, or adopted child of the member is eligible for the coverage under subdivision (1), (2), or (3).

SECTION 7. IC 36-8-7.5-13.6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 13.6. (a) This section applies to an active or retired member who dies other than in the line of duty (as defined in section 14.1 of this chapter).

(b) The 1953 fund shall be used to pay an annuity, computed under subsection (g) and payable in monthly installments, to the surviving spouse of a member of the fund who dies from any cause after having served for one (1) year or more. The annuity continues during the life of the surviving spouse. ~~unless the spouse remarried before September 1, 1983. If the spouse remarried before September 1, 1983, benefits ceased on the date of remarriage. If a member of the fund died, but not in the line of duty, and the member's surviving spouse remarried before September 1, 1983, the benefits of the surviving spouse shall be~~

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1 ~~reinstated on July 1, 1997, and continue during the life of the surviving~~
 2 ~~spouse.~~

3 (c) The 1953 fund shall also be used to pay an annuity equal to
 4 twenty percent (20%) of the salary of a first class patrolman on the
 5 police department, computed as provided in section 12(b) of this
 6 chapter and payable in monthly installments, to each dependent child
 7 of a member of the fund who dies from any cause after having served
 8 for one (1) year or more as an active member of the police department.
 9 The pension to each child continues:

- 10 (1) until the child becomes eighteen (18) years of age;
 11 (2) until the child becomes twenty-three (23) years of age if the
 12 child is enrolled in and regularly attending a secondary school or
 13 is a full-time student at an accredited college or university; or
 14 (3) during the entire period of the child's physical or mental
 15 disability;

16 whichever period is longest. However, the pension to the child ceases
 17 if the child marries or is legally adopted by any person.

18 (d) If a deceased member leaves no surviving spouse and no child
 19 who qualifies for a benefit under subsection (c) but does leave a
 20 dependent parent or parents, the 1953 fund is used to pay an annuity
 21 not greater than a sum equal to twenty percent (20%) of the salary of
 22 a first class patrolman on the police department, computed and payable
 23 as provided in section 12(b) of this chapter, payable monthly to the
 24 dependent parent or parents of a member of the police department who
 25 dies from any cause after having served for one (1) year or more as an
 26 active member of the police department. The annuity continues for the
 27 remainder of the life or lives of the parent or parents as long as either
 28 or both fail to have sufficient other income for their proper care,
 29 maintenance, and support.

30 (e) In all cases of payment to a dependent relative of a deceased
 31 member, the local board is the final judge of the question of necessity
 32 and dependency and of the amount within the stated limits to be paid.
 33 The local board may also reduce or terminate temporarily or
 34 permanently a payment to a dependent relative of a deceased member
 35 when it determines that the condition of the 1953 fund or other
 36 circumstances make this action necessary.

37 (f) If the salary of a first class patrolman is increased or decreased,
 38 the pension payable under this section shall be proportionately
 39 increased or decreased. However, the monthly pension payable to a
 40 member or survivor may not be reduced below the amount of the first
 41 full monthly pension received by that person.

42 (g) Except as otherwise provided in this subsection, the annuity

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payable under subsection (b) equals one (1) of the following:

(1) For the surviving spouse of a member who dies before January 1, 1989, thirty percent (30%) of the salary of a first class patrolman.

(2) For the surviving spouse of a member who dies after December 31, 1988, an amount per month during the spouse's life equal to the greater of:

(A) thirty percent (30%) of the monthly pay of a first class patrolman; or

(B) fifty-five percent (55%) of the monthly benefit the deceased member was receiving or was entitled to receive on the date of the member's death.

However, if the deceased member was not entitled to a benefit because the member had not completed twenty (20) years of service, for the purposes of computing the amount under subdivision (2)(B) the member's benefit is considered to be fifty percent (50%) of the monthly salary of a first class patrolman. The amount provided in this subdivision is subject to adjustment as provided in ~~subsection~~ **subsections (f) and (h).**

(h) The amount computed under subsection (g)(1) or (g)(2) payable to the surviving spouse of a member after June 30, 2005, shall be increased by ten percent (10%) over a five (5) year period, with the increase being implemented in five (5) equal installments on July 1 each year, beginning with amounts first payable after June 30, 2005.

SECTION 8. IC 36-8-7.5-13.7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 13.7. (a) This section applies to a member who died in the line of duty (as defined in section 14.1 of this chapter) before September 1, 1982.

(b) The 1953 fund shall be used to pay an annuity, computed under subsection (g) and payable in monthly installments, to the surviving spouse of a member. The annuity continues during the life of the surviving spouse. ~~unless the spouse remarried before September 1, 1983. If the spouse remarried before September 1, 1983, benefits ceased on the date of remarriage. If a member of the fund died, but not in the line of duty, and the member's surviving spouse remarried before September 1, 1983, the benefits of the surviving spouse shall be reinstated on July 1, 1997, and continue during the life of the surviving spouse.~~

(c) The 1953 fund shall also be used to pay an annuity equal to twenty percent (20%) of the salary of a first class patrolman on the police department, computed as provided in section 12(b) of this

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chapter and payable in monthly installments, to each dependent child of a member of the fund who dies from any cause while in the actual discharge of duties as a police officer. The pension to each child continues:

- (1) until the child becomes eighteen (18) years of age;
- (2) until the child becomes twenty-three (23) years of age if the child is enrolled in and regularly attending a secondary school or is a full-time student at an accredited college or university; or
- (3) during the entire period of the child's physical or mental disability;

whichever period is longest. However, the pension to the child ceases if the child marries or is legally adopted by any person.

(d) If a deceased member leaves no surviving spouse and no child who qualifies for a benefit under subsection (c) but does leave a dependent parent or parents, the 1953 fund shall be used to pay an annuity not greater than a sum equal to twenty percent (20%) of the salary of a first class patrolman on the police department, computed and payable as provided in section 12(b) of this chapter, payable monthly to the dependent parent or parents of a member of the police department. The annuity continues for the remainder of the life or lives of the parent or parents as long as either or both fail to have sufficient other income for their proper care, maintenance, and support.

(e) In all cases of payment to a dependent relative of a deceased member, the local board is the final judge of the question of necessity and dependency and of the amount within the stated limits to be paid. The local board may also reduce or terminate temporarily or permanently a payment to a dependent relative of a deceased member when it determines that the condition of the 1953 fund or other circumstances make this action necessary.

(f) If the salary of a first class patrolman is increased or decreased, the pension payable under this section shall be proportionately increased or decreased. However, the monthly pension payable to a member or survivor may not be reduced below the amount of the first full monthly pension received by that person.

(g) The annuity payable under subsection (b) equals thirty percent (30%) of the salary of a first class patrolman. The amount provided in this subsection is subject to adjustment as provided in ~~subsection~~ **subsections (f) and (i).**

(h) The unit of local government that employed the deceased member shall ~~after December 31, 2003,~~ offer to provide and pay for health insurance coverage for the member's surviving spouse and for each natural child, stepchild, or adopted child of the member:

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- (1) until the child becomes eighteen (18) years of age;
- (2) until the child becomes twenty-three (23) years of age if the child is enrolled in and regularly attending a secondary school or is a full-time student at an accredited college or university; or
- (3) during the entire period of the child's physical or mental disability;

whichever period is longest. If health insurance coverage is offered by the unit to active members, the health insurance provided to a surviving spouse and child under this subsection must be equal in coverage to that offered to active members. The offer to provide and pay for health insurance coverage shall remain open for as long as there is a surviving spouse or as long as a natural child, stepchild, or adopted child of the member is eligible for coverage under subdivision (1), (2), or (3).

(i) The amount computed under subsection (g) payable to the surviving spouse of a member after June 30, 2005, shall be increased by ten percent (10%) over a five (5) year period, with the increase being implemented in five (5) equal installments on July 1 each year, beginning with amounts first payable after June 30, 2005.

SECTION 9. IC 36-8-7.5-14.1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 14.1. (a) This section applies to an active member who dies in the line of duty after August 31, 1982.

(b) If a member dies in the line of duty after August 31, 1982, the surviving spouse is entitled to a monthly benefit, during the spouse's lifetime, equal to **the following:**

(1) The benefit to which the member would have been entitled on the date of the member's death, but not less than fifty percent (50%) of the monthly wage received by a first class patrolman. If the spouse remarried before September 1, 1983, benefits ceased on the date of remarriage. However, if a member of the police department dies in the line of duty after August 31, 1982, and the member's surviving spouse remarried before September 1, 1983, the benefits for the surviving spouse shall be reinstated on July 1, 1995, and continue during the life of the surviving spouse.

(2) After June 30, 2005, the amount computed under subdivision (1) increased by ten percent (10%) over a five (5) year period, with the increase being implemented in five (5) equal installments on July 1 each year, beginning with amounts first payable after June 30, 2005.

(c) The 1953 fund shall also be used to pay an annuity equal to twenty percent (20%) of the salary of a first class patrolman on the

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police department, computed as provided in section 12(b) of this chapter and payable in monthly installments, to each dependent child of a member of the fund who dies from any cause while in the actual discharge of duties as a police officer. The pension to each child continues:

- (1) until the child becomes eighteen (18) years of age;
- (2) until the child becomes twenty-three (23) years of age if the child is enrolled in and regularly attending a secondary school or is a full-time student at an accredited college or university; or
- (3) during the entire period of the child's physical or mental disability;

whichever period is longest. However, the pension to the child ceases if the child marries or is legally adopted by any person.

(d) The surviving children of the deceased member who are eligible to receive a benefit under subsection (c) may receive an additional benefit in an amount fixed by ordinance, but the total benefit to all the member's children under this subsection may not exceed a total of thirty percent (30%) of the monthly wage received by a first class patrolman. However, this limitation does not apply to the children of a member who are physically or mentally disabled.

(e) If a deceased member leaves no surviving spouse and no child who qualifies for a benefit under subsection (c) but does leave a dependent parent or parents, the 1953 fund shall be used to pay an annuity not greater than a sum equal to twenty percent (20%) of the salary of a first class patrolman on the police department, computed and payable as provided in section 12(b) of this chapter, payable monthly to the dependent parent or parents of a member of the police department who dies from any cause while in the actual discharge of duties as a police officer. The annuity continues for the remainder of the life or lives of the parent or parents as long as either or both fail to have sufficient other income for their proper care, maintenance, and support.

(f) In all cases of payment to a dependent relative of a deceased member, the local board is the final judge of the question of necessity and dependency and of the amount within the stated limits to be paid. The local board may also reduce or terminate temporarily or permanently a payment to a dependent relative of a deceased member when it determines that the condition of the 1953 fund or other circumstances make this action necessary.

(g) If the salary of a first class patrolman is increased or decreased, the pension payable under this section shall be proportionately increased or decreased. However, the monthly pension payable to a

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1 member or survivor may not be reduced below the amount of the first
2 full monthly pension received by that person.

3 (h) For purposes of this section, "dies in the line of duty" means
4 death that occurs as a direct result of personal injury or illness caused
5 by incident, accident, or violence that results from any action that the
6 member, in the member's capacity as a police officer:

7 (1) is obligated or authorized by rule, regulation, condition of
8 employment or service, or law to perform; or

9 (2) performs in the course of controlling or reducing crime or
10 enforcing the criminal law.

11 The term includes a death presumed incurred in the line of duty under
12 IC 5-10-13.

13 (i) The unit of local government that employed the deceased
14 member shall ~~after December 31, 2003,~~ offer to provide and pay for
15 health insurance coverage for the member's surviving spouse and for
16 each natural child, stepchild, or adopted child of the member:

17 (1) until the child becomes eighteen (18) years of age;

18 (2) until the child becomes twenty-three (23) years of age if the
19 child is enrolled in and regularly attending a secondary school or
20 is a full-time student at an accredited college or university; or

21 (3) during the entire period of the child's physical or mental
22 disability;

23 whichever period is longest. If health insurance coverage is offered by
24 the unit to active members, the health insurance provided to a surviving
25 spouse and child under this subsection must be equal in coverage to
26 that offered to active members. The offer to provide and pay for health
27 insurance coverage shall remain open for as long as there is a surviving
28 spouse or as long as a natural child, stepchild, or adopted child of the
29 member is eligible for coverage under subdivision (1), (2), or (3).

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